

HB 2256 - DIGEST

(SUBSTITUTED FOR - SEE 2ND SUB)

Finds that low-income working families often encounter significant barriers as they strive to achieve financial self-sufficiency. Their challenges include acquiring employment that pays enough to cover the costs of daily living, accumulating funds for the down payment on a home, and setting aside money for the children's education or for the parents' retirement.

Finds that asset-poor families do not have enough cash reserves or equity in their homes or businesses to meet basic needs through a period of joblessness, health emergency, divorce, or other unexpected financial hardship. Compounding these problems, credit reports about low-income working families tend to contain negative information, so that when used by prospective employers, the reports can prevent the job seeker from obtaining employment. Research shows that savings and ownership of assets is possible for low-income wage earners and that they would benefit from a variety of tools that allow them to better control and increase their financial resources.

Therefore finds that the state, together with local communities, must adopt policies and provide services to help low-income working families achieve prosperity.